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F I L E D
APR 04 2006

DEPARTMENT OF MANAGED HEALTH CARE
By Susan Ball
Filing Clerk

7
8 BEFORE THE DEPARTMENT OF MANAGED HEALTH CARE
9 OF THE STATE OF CALIFORNIA

10 IN THE MATTER OF:

11 KAISER FOUNDATION HEALTH
12 PLAN, INC.

13 Respondent.
14
15

) Enforcement Matter No.: 05-180

) **ORDER RE: COMPLIANCE WITH**
) **California Code of Regulations, title 28,**
) **section 1300.65(c)(4)**

16 The Director of the Department of Managed Health Care, by and through her
17 designee, Assistant Deputy Director Amy L. Dobberteen, after investigation, determines
18 as follows:

19 **PARTIES**

20 1. The Director of the Department of Managed Health Care (the
21 "Department") is vested with the responsibility to administer and enforce the Knox-
22 Keene Health Care Service Plan Act of 1975, Health and Safety Code section 1340 et
23 seq. (Knox-Keene Act).

24 2. Kaiser Foundation Health Plan ("Kaiser") is a health care service plan licensed
25 under the Knox-Keene Act, license number 933 0055, and regulated by the Department
26 of Managed Health Care.

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4. The Director is empowered to enforce compliance with this Act by Health and Safety Code section 1344(a), which provides:

Health and Safety Code section 1365(b) provides, in part:

6. Pursuant to California Code of Regulations, title 28, section 1300.65(c)(1),

7. Pursuant to California Code of Regulations, title 28, section 1300.65(c)(4) a
of cancellation of health care coverage shall state:

That a subscriber or enrollee who alleges that an enrollment or subscription has been cancelled or not renewed because of the enrollee's or subscriber's health status or requirements for health care services may request a review of cancellation by the Director.

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1 **FINDINGS**

2 8. Through examination and investigation, it has come to the Department's
3 attention that Kaiser failed to notify enrollees or subscribers of their specific statutory
4 right to request a review by the Director of the Department when their health care
5 benefits have been cancelled, non-renewed, rescinded or limited. (Health and Safety
6 Code section 1365(b); California Code of Regulations, title 28, section 1300.65(c)(4).)
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8 **ORDER**

9 **IT IS HEREBY ORDERED** from this date forward, that Kaiser shall include in
10 each and every notice of cancellation or limitation of health care coverage (including, but
11 not limited to, rescissions under Health and Safety Code section 1389.3), a clear and
12 concise notice to the enrollee or subscriber of their statutory right to request a review by
13 the Director pursuant to Health and Safety Code section 1365(b) and California Code of
14 Regulations, title 28, section 1300.65(c)(4). The Notice to the enrollee or subscriber shall
15 include the following language:

16 If you believe that your enrollment or subscription for health
17 care coverage was cancelled, rescinded, limited or not
18 renewed because of your health status or your requirements
19 for health care services, you have the right to request that the
20 Director of the Department of Managed Health Care review
21 Kaiser Foundation Health Plan's decision. Your request for
22 review can be made by completing the enclosed complaint
23 form and delivering it to the Department of Managed Health
24 Care.

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1 This Order shall be effective until further Order from the Director.

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3 Dated: April 4, 2006

LUCINDA EHNES, Director
Department of Managed Health Care

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6 By: 

7 AMY L. DOBBERTEEN
8 Assistant Deputy Director
9 Department of Managed Health Care
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